

**FINAL REPORT
OF THE
INDIANA COMMISSION
ON
MENTAL HEALTH**



**Indiana Legislative Services Agency
200 W. Washington St., Suite 301
Indianapolis, Indiana 46204-2789**

November, 1999

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1999

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A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Commission can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.

I. STATUTORY AND LEGISLATIVE COUNCIL DIRECTIVES

The Indiana General Assembly enacted legislation directing the Commission to study the following:

- (1) The funding system for managed care providers of mental health services.
- (2) The provision of mental health services delivered by community managed care providers and state operated hospitals.
- (3) The implementation of managed care programs for all populations of the mentally ill that are eligible for care that is paid for, at least in part, by the state.
- (4) Any unmet need for public supported mental health services in any geographic area throughout the state.
- (5) The results of the actuarial study submitted by the division of mental health.

II. INTRODUCTION AND REASONS FOR STUDY

The Council assigned the Commission an additional task based on House Resolution 97 - 1999. This resolution specified that the Indiana General Assembly should make a recommendation regarding a multi-year funding plan for the Hoosier Assurance Plan in accordance the Mercer Report¹.

III. SUMMARY OF WORK PROGRAM

The Commission met three times during the interim to examine the issues assigned by statute and the Legislative Council.

The first meeting was held September 9, 1999 in the State House,

The second meeting was held September 30, 1999 at Richmond State Hospital.

The final meeting was held October 21, 1999 in the State House.

IV. SUMMARY OF TESTIMONY

At the first meeting, five witnesses testified concerning the following issues:

- an overview of the Hoosier Assurance Plan (HAP);
- various case rates for community services that have been defined for service providers;
- funding for mental health and substance abuse services from a rural perspective;
- funding for mental health services from an urban perspective.

During the Second Meeting at Richmond State Hospital, six witnesses described various aspects of how mentally ill persons interact with the criminal justice system.

¹The Mercer Report was an actuarial report prepared for by the Division of Mental Health to determine the need for mental health services in Indiana. The report was published in 1998.

These witnesses represented prosecuting attorneys, judges, the Department of Correction and the State Mental Health Hospitals.

At the third meeting, held in the State House, commission members heard testimony from ten witnesses concerned about parity issues for substance abuse patients and discussed what should be included in the final report.

V. COMMISSION FINDINGS

The Commission found that the Mercer Report recommendation of multi year funding is not compatible with the method that the State Legislature funds the state budget. This is because the State Legislature does not obligate itself for more than two years. However, the Mercer Report could be used as a basis to increase funding over each biennium.

VI. COMMISSION RECOMMENDATIONS

During the Commission discussion, the members recommended the following issues be included in the final report. Each recommendation passed by voice vote.

- 1) A significant portion of the tobacco settlement should be spent on addiction services.
- 2) Parity of substance abuse should be part of law.
- 3) An in-depth study should be conducted to examine the services needed across agencies to provide mental health services for children.
- 4) The Department of Correction Facility located at New Castle should have the treatment of mentally ill offenders as its top priority of the facility, and should be a forensic facility in its entirety.

WITNESS LIST

September 9, 1999 Meeting:

Janet Corson, Director, Division of Mental Health (DMH)
Richard DeLiberty, Deputy Director, Division of Mental Health
Dennis P. Morrison, Ph.D., Center for Behavioral Health
Dennis Jones, Executive Director, Midtown Community Mental Health Center
Steve McCaffrey, Executive Director, Indiana Mental Health Association

September 30, 1999 Meeting:

Mr. Steve Johnson, Executive Director, Prosecuting Attorney's Council
Judge Steven Eicholtz, Marion Superior Court
Department of Correction (DOC) Mr. Randall Koester, General Counsel, DOC, Mr. Dean Rieger, Medical Director, DOC, and Mr James Lowery, Prison Health Services, responded to questions previously submitted to the DOC by Sen. Johnson.
Nikki Morrell, Deputy Director for State Hospitals, Division of Mental Health (DMH)

October 21, 1999 Meeting:

Peter Sybinsky Ph.D. Secretary of Indiana Family and Social Services Administration
Steve McCaffrey, Executive Director, Indiana Mental Health Association
George Brenner, Indiana Addictions Issues Coalition, Inc.
Dena Davidson, Ph.D., Institute of Psychiatric Research
Tim Kelly, CEO, Fairbanks Hospital
Carla Gaff-Clark
Rick Gustafson, Beacon House
Mary Ann Shepherd, President, Employment Assistance Professionals Association
Ken Garner, Howard Community Hospital
Pastor George McCowan III
John Brumbaugh, Addictions Counselor
Janet Corson, Director, Division of Mental Health (DMH)